

JSC "Olainfarm" Audit Committee Report for 2016

In year 2016, the Audit Committee of JSC Olainfarm carried out activities to perform tasks required by the laws of the Republic of Latvia. The activity of the Audit Committee was not restricted in any way. The Committee quickly and upon first request received all information necessary for performing tasks and it received free access to documents records, accounting data, material values, and employees.

According to the regular procedure, also in year 2016, the efficiency of control mechanisms, risk management, as well as management procedures and systems of the company were randomly examined. No substantial deficiencies or violations have been found.

During evaluation of the reviewed information and processes, there are no evidences found on deficiencies of internal controls in respect of preparation of annual report for financial year 2016.

During year 2017, the Audit Committee will concentrate on tasks required by the laws -supervision of internal controls and risk management, control of preparation of annual report, co-operation with sworn auditor company and other actions promoting achievement of the Audit Committee objectives.

On behalf of the Audit Committee

May 17, 2016

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke at the end, positioned between the text 'On behalf of the Audit Committee' and 'V. Gurtlavs'.

V. Gurtlavs